



Australia

The sky's the limit for innovative tech

Australia earned top honors as an Innovation Champion thanks to policies that set out a welcome mat for entrepreneurs developing new tech.

Drones have found Australia's skies particularly friendly. Recreational operators who follow basic safety rules can fly their drones without certifications. Commercial users need licenses to fly for business purposes. Google parent company Alphabet runs a drone delivery testing site in Australia and, in late 2017, announced partnerships with an Australian restaurant chain and a string of pharmacies to deliver goods direct to customers via drone.

Self-Driving Vehicles find a similarly friendly environment in Australia. Though the country does not allow people to test the vehicles on public roads, the National Transport Commission and AustRoads — a group of transportation and traffic agencies — allow territories to approve exemptions to the national rule. As a result, SDVs are turning up around the country. In 2015, Volvo caught international attention for a brief test of a self-driving car in Adelaide, on Australia's southern coast. In 2016, lightweight self-driving buses rolled through the streets of Perth. Then the bus trial extended to Sydney. Local exemptions to the national rule are bringing more SDVs onto Australia's roads, making the country a global leader in this category.

Sources: (CASA) (Google X)

WHAT DID WE DO RIGHT?

Australia shows high levels of diversity and personal and political freedom, supports drone innovation and the development of self-driving vehicles, and encourages new businesses to flourish.

WHAT CAN WE DO BETTER NEXT YEAR?

Australia should follow in the footsteps of the United States and lower their 30 percent corporate tax rate. Among the countries graded, Australia's tax rate is one of the 10 highest. The country's tax on streaming services is another reason Australia earns a 'D' in Tax Friendliness.

Diversity	A+
Freedom	A-
Broadband	B
Human Capital	B
Tax Friendliness	D
R&D Investment	B+
Entrepreneurial Activity	A
Drones	A
Ridesharing	B
Short-Term Rentals	B
Self-Driving Vehicles	A
Environment	A+



Diversity

Has one of the most diverse populations of any country and better-than-average gender parity among citizens age 25 to 54.



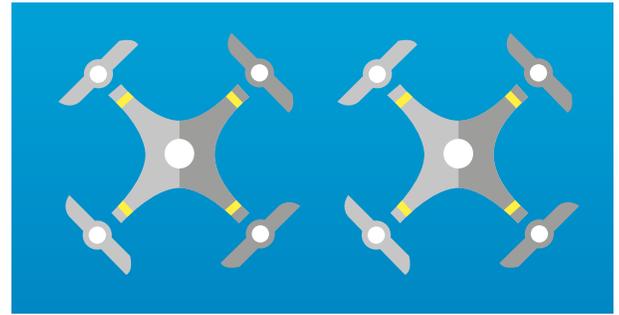
Human Capital

More than 45 percent of Australia’s workforce is highly-skilled.



Entrepreneurial Activity

With three unicorns and a rate of almost 15 new businesses per 1,000 people, Australia is second only to New Zealand.



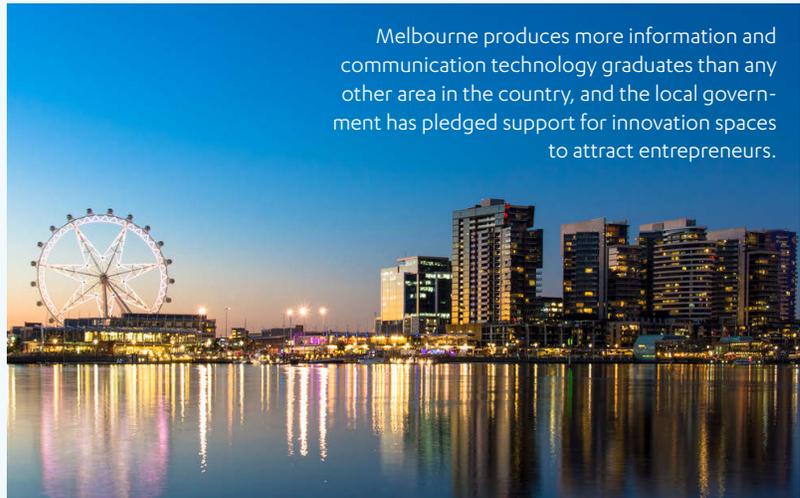
Drones

Earned the best score of any country in this category thanks to wide acceptance of recreational drone use — under some safety restrictions — and licensed commercial operations. The country is also home to drone development sites such as the Google X program.

MELBOURNE

Australia’s second-largest city boasts technology powerhouses including Google and Dropbox, and a concentrated push by leaders in the state of Victoria has turned Melbourne into a national tech hub.

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Melbourne produces more information and communication technology graduates than any other area in the country, and the local government has pledged support for innovation spaces to attract entrepreneurs.

Tech companies including messaging app creator Slack and finance organization Square now call the city home. More recently, the Silicon Valley accelerator program 500 Startups announced that it will set up shop in Melbourne following an agreement by the Victorian government to contribute \$2 million to the company’s launch. Over the next two years, 500 Startups is expected to bolster the efforts of 40 Australian organizations.

In 2017, the local metropolitan government launched a four-year Startup Action Plan to attract entrepreneurs, in part by supporting co-working and innovation spaces around the city. The move came six years after the state government rolled out Victoria’s Technology Plan for the Future, an \$85 million investment to promote regional information and communication, biotech and nanotech industries.

Sources: (ABC) (Invest Victoria) (Department of Industry) (The Australian) (Forbes) (Melbourne) (Business Insider) (Forbes)